



PANHANDLE

BENEWAH, BONNER, BOUNDARY, KOOTENAI, & SHOSHONE COUNTIES

EMPLOYMENT TRENDS

The Panhandle's seasonally adjusted unemployment rate bumped up to 8.9 percent in August, following layoffs by manufacturers, governmental entities, and service businesses. August's rate rose three-tenths of a percentage point above July's rate. In August 2001, prior to the September 11 terrorist attacks that intensified the U.S. recession, the Panhandle's unemployment rate was 7.7 percent. The unemployment rate rose during the 12-month period, even though total employment increased slightly—0.5 percent. As Panhandle Table 1 shows, 410 more Panhandle residents were employed in August 2002 than one year earlier. Unfortunately, the number of people in the labor force grew much more than the number of employed residents. From August 2001 to August 2002, the Panhandle added 1,670 people to its labor force as people continued to move into the area and as teenagers entered the labor market. That increased the number of unemployed people by 1,260 (1,670 minus 410), pushing up the unemployment rate.

The Panhandle's traumatized *Goods-Producing Industries* managed to add a few jobs between July and August, mostly because of normal seasonal increases in *Construction* and logging. As loggers geared up for the busiest time of the year, *Lumber & Wood Products* added 130 jobs between July and August. However, 100 fewer loggers worked in August 2002 than in the previous August, because of the negative economic outlook for the lumber industry. Lumber mills and other wood products manufacturers trimmed 180 jobs between August 2001 and August 2002. Late summer and early fall, normally the busiest time of the year for construction crews, resulted in a gain of 50 jobs between July and August 2002. Despite the month-over-month increase, *Construction* employment in August 2002 was 7.1 percent below its level in the previous August. During the last two years, commercial construction has declined significantly throughout the Panhandle, and residential construction has fallen

Panhandle Table 1: Labor Force & Employment

	Aug 2002*	July 2001	Aug 2001	% Change From	
				Last Month	Last Year
INDIVIDUALS BY PLACE OF RESIDENCE					
Seasonally Adjusted					
Civilian Labor Force	92,670	92,220	91,000	0.5	1.8
Unemployed	8,230	7,910	6,970	4.0	18.1
% of Labor Force Unemployed	8.9	8.6	7.7		
Total Employment	84,440	84,310	84,030	0.2	0.5
Unadjusted					
Civilian Labor Force	94,220	93,570	92,740	0.7	1.6
Unemployed	6,170	6,190	5,140	-0.3	20.0
% of Labor Force Unemployed	6.5	6.6	5.5		
Total Employment	88,050	87,380	87,600	0.8	0.5
JOBS BY PLACE OF WORK					
Nonfarm Payroll Jobs**	70,840	70,240	70,600	0.9	0.3
Goods-Producing Industries	14,040	13,870	14,950	1.2	-6.1
Mining	550	550	720	0.0	-23.6
Construction	4,830	4,780	5,200	1.0	-7.1
Manufacturing	8,660	8,540	9,030	1.4	-4.1
Lumber & Wood Products	4,160	4,030	4,440	3.2	-6.3
All Other Manufacturing	4,500	4,510	4,590	-0.2	-2.0
Service-Producing Industries	56,800	56,370	55,650	0.8	2.1
Transportation	1,560	1,530	1,650	2.0	-5.5
Communication & Utilities	1,100	1,090	1,090	0.9	0.9
Wholesale Trade	2,130	2,120	2,170	0.5	-1.8
Retail Trade	15,870	15,750	15,390	0.8	3.1
Finance, Insurance & Real Estate	2,840	2,830	2,710	0.4	4.8
Service & Miscellaneous	19,840	19,400	19,310	2.3	2.7
Government Administration	9,400	9,500	9,290	-1.1	1.2
Government Education	4,060	4,150	4,040	-2.2	0.5

* Preliminary estimate

**Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

sharply in rural communities. *Mining* employment, which had fallen from 1,050 jobs three years ago, remained constant at 550 jobs between July and August.

Job gains in *Service-Producing Industries* offset the job losses in *Goods-Producing Industries* between August 2001 and August 2002. *Retail Trade* showed normal growth between July and August. Although employment at most retail operations did not grow during the 12-month period, the opening of the Wal-Mart in Post Falls and the move of Oxyfresh from Spokane to Coeur d'Alene created enough new jobs to add 480 jobs in *Retail Trade*. A moderately good summer tourist season helped increase *Services* employment between July and August. However, tourism employment remained about 5 percent below its level in August 2001 because of the decrease in business travel and conventions caused by the U.S. recession and the September 11 terrorist attacks. The Center Partners call center in Post Falls hired 100 more workers between July and August, bringing total Center Partners employment in Kootenai County to 1,300 jobs. That contributed to the 440 jobs added by *Services* between July and August. Most of the other *Service* jobs added were the result of the normal seasonal hiring by the tourism in-

dustry. *Government Administration* cut 100 jobs between July and August, as budget shortfalls took a toll on state agencies and local governments. The July-to-August decrease in *Government Education* was a normal seasonal decrease. Falling enrollments in a few rural communities and tighter school budgets resulted in virtually no growth in *Government Education* jobs between August 2001 and August 2002.

AREA DEVELOPMENTS

Bonner County

- To keep up with rapid sales growth, Unicep Packaging recently added 6,000-square feet to its building at 1702 Industrial Drive in Sandpoint. Founded in 1991 by dentist John Snedden, Unicep makes an applicator that gives one dose of medicine and then can be thrown away. Besides dispensing medicine, the disposable applicators also are used to provide liquids and gels containing vitamins, adhesives, lubricants, and cosmetics. The MicroDose applicators often are used when getting just the right amount is important or when a product has a short shelf life once it is opened. Unicep expects to double production this year, and to double it every year for the next few years. The 6,000-square-foot addition provides room for more mixing and filling equipment. A year ago, Unicep added 20,000-square feet to its warehouse and production area. Two years ago, Unicep employed about a dozen people. Today, it employs 53 people.

Boundary County

- On September 25, the City of Bonners Ferry and the Kootenai Tribe broke ground on a \$600,000 pedestrian underpass beneath U.S. Highway 95 that will link downtown Bonners Ferry with the Kootenai River Inn & Casino. A \$500,000 Idaho Transportation Department grant, along with \$106,000 in matching funds provided by the city and the tribe, funds the underpass construction. The tunnel, which will be completed next summer, will make it easier to cross from the tribe's inn and casino to downtown Bonners Ferry. This will help draw the hundreds of people that visit the inn and casino to downtown.
- To make downtown more attractive to visitors, the city hopes to make \$230,000 in improvements to downtown, including new sidewalks, lighting, and landscaping. Included in the master plan for downtown is Riverwalk, a path along the Kootenai River.
- The entrance to downtown currently is dominated by a large parking lot. The city would like to convert the lot into an international gateway and visitor's center. Mayor Darrel Kerby envisions that the state's port of entry at Three-Mile Junction would continue to handle commercial trucks, while the downtown port of entry would cater to tourists with restrooms, maps, and visitor's information.

Kootenai County

- A San Diego real estate company plans to build a 225,000-square-foot commercial center and a 14-screen movie theater at the 70-acre Riverstone development along Northwest Boulevard in Coeur d'Alene. The first floor of the commercial center will contain retail shops and restaurants, while the second and third floors will

contain condominium units. Next to the commercial center will be a pond that will become an ice rink in the winter. The \$40 million development, which will stretch to the Spokane River, is slated for completion in May 2004. It could create 300 jobs.

- The Coeur d'Alene Area Chamber of Commerce is celebrating the news that the USA Ironman Triathlon will be held in Coeur d'Alene every year for the next five years. The first Ironman triathlon will open June 29, 2003, in downtown Coeur d'Alene. The Ironman is a particularly rigorous event involving a 2.4-mile swim, a 112-mile bicycle ride, and a 26.2-mile run. Coeur d'Alene will host up to 1,700 competitors, 3,000 volunteers, and 30,000 spectators. Competitors will swim in Lake Coeur d'Alene and bike and run along paths emanating from the city park next to the lake. The chamber estimates the economic impact of the Ironman triathlon at \$6 million per year.
- Beehive Homes is doubling the number of its assisted living units in Coeur d'Alene. It is building four 6,000-square-foot houses and a fifth building that will house a therapy pool and a large recreation room, at 2100 East Sherman Avenue. The first two houses will open in January 2003, and the other new buildings will open in the spring of 2003. Each of the four houses will contain 15 bedrooms, a kitchen, living room, and dining room. Residents also will enjoy a fishing pond, a putting green, and an enclosed courtyard. Beehive currently employs 30 people at its six-year-old assisted living center at 624 North 21st in Coeur d'Alene. When the new buildings open, Beehive will hire 30 more people.
- The Idaho National Engineering and Environmental Laboratory (INEEL), which plays a major role in the economy of southeastern Idaho, recently opened a technology transfer office in Post Falls. Technology transfer is the process of taking new technologies developed by the 2,000 researchers at INEEL in the Idaho Falls area, finding commercial applications for them, and then spinning them off to start up new companies. INEEL has started four companies in southeastern Idaho during the last year. Now, it will expand its technology transfer efforts into North Idaho. INEEL rents 430-square feet at the University of Idaho Research Park, where it employs two people. Nine other tenants also occupy the first building at the research park.
- Two restaurant chains plan to open in former restaurant buildings in Post Falls this autumn. Old European restaurant will open in the former Applebee's space at 1760 Schneidmiller in October. Its 20 employees will serve breakfasts and lunches featuring Scandinavian, Dutch, and other European cuisine. Moon's Mongolian Grill will open in the former location of Breeze's at Seltice Way and Greensferry Road. The restaurant, which will cook food in front of customers and provide an all-you-can-eat buffet, will employ about 22 people.

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